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PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

The Council met at 10:03

The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

The CHIEF WHIP OF THE NATIONAL COUNCIL OF PROVINCES: Madam Chair, I move:

That the Council resolves that Rule 239(1), which provides inter alia that the consideration of a Bill may not commence before at least three working days have lapsed since the committee's report was tabled, be suspended for the purposes of consideration of the following Bills -

- (a) Public Audit Amendment Bill; and
- (b) Political Party Funding Bill

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Question put: That the motion be agreed to.

In Favour: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West, Western Cape.

Motion accordingly agreed to in accordance with section 65 of the Constitution.

CONSIDERATION OF REPORT OF SELECT COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS - INSPECTION IN LOCO ON NOTICE OF INTERVENTION ISSUED IN TERMS OF SECTION 139(1)(B) AND (5) OF THE CONSTITUTION, 1996 IN WALTER SISULU LOCAL MUNICIPALITY, EASTERN CAPE.

Mr J M MTHETHWA: Chairperson, the provincial executive council of the Eastern Cape province resolved during its meeting on 07 February 2018, to place the Walter Sisulu Local Municipality under section 139(1)(b) and 139(5) of the Constitution following the failure by the municipal council to implement the support plans that were provided to it. In terms of section 139(1)(b) of the Constitution, the provincial executive may intervene in a municipality if it cannot or does not fulfil an executive obligation in terms of the legislation or Constitution. Section 139(5) of the Constitution

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provides for intervention in instances where a municipality due to its financial affairs is unable to deliver services or meet its obligation.

However, it must be pointed out from the beginning that three principles that should underline any intervention it has to be a measure of last resort, there needs to be respect for institutional integrity and the aim must be to restore, not to punish. Therefore, in deciding whether or not to intervene, the decision should be guided by principle that section 139, being a severe inroad in local governments institutional integrity, is a measure of last resort.

On 4 January 2018, the MEC for Local Government gave the municipality notice of his intention to invoke section 139 (1) (a) of the Constitution, citing the municipality's shortfalls in executing its obligations. The municipality had defaulted on its financial obligations including an Eskom debt of R141 million inherited from Gariep Local Municipality and Maletswai Local Municipality which later merged to form Walter Sisulu Local Municipality. Another critical matter was the issue of the vacant posts of the chief financial officer, CFO, director of corporate services and director of community services as some of the reasons necessitating discretionary provincial interventions

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On 16 January 2018, the Council resolved to agree with the contents of the MEC's correspondence and requested the secondment of a capable person to assume responsibility of certain powers of the municipality, pending council's establishment of its own enhanced systems. As a result, an administrator was appointed for a period of six months subject to review. The administrator was appointed to discharge the following responsibilities: facilitate the appointment of municipal manager as an accounting officer of the municipality; facilitate the appointments of the chief financial officer and other vacant section 56 managers; assist in addressing challenges currently confronting the Walter Sisulu Local Municipality in respect to management or administrative challenges; financial management challenges and service delivery challenges; ensure that oversight structures of the municipality are strengthened in order to be able to perform their functions effectively and efficiently so to ensure that the supply chain management systems are in place for the smooth running of the procurement management processes; to facilitate the review of all financial related policies especially the credit control and revenue collection policies; attend to all legal matters that are confronting the municipality, including litigation; and institute forensic investigation on procurement management processes, including irregular appointment of staff.

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For the 2016-17 financial year, the municipality received a disclaimer audit opinion of the Auditor-General. Meaning the municipality provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts or represents a substantial portion of the information contained in the financial statements. Lest we forget the municipality was established by the amalgamation of Gariep Local Municipality and Maletswai Local Municipality on 3 August 2016 meaning it is a new municipality. The Auditor-General has identified more than a dozen basic internal controls that are required to support sound financial management and corporate governance. These range from proper record keeping and reconciliation control to regular and accurate reporting, compliance with the legislative framework effective leadership culture and oversight responsibility as well as sound human resource, HR, and information technology, IT, management.

Effective financial management is critical to any organisation. In the context of the Walter Sisulu Local Municipality, the lack of sound financial management had a direct adverse impact on service delivery since there is a strong correlation between sound financial management and effective service delivery.

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The administrator should fast-track the process of appointing and filling of section 57 managers and further assist the municipality to ensure that the service delivery and budget implementation plan and the integrated development plan, IDP, are aligned with the municipality budget and has the support and confidence of the whole community. The administrator should table a report to the NCOP on the forensic investigation to procurement management processes, irregular appointment of staff and progress made on the payment of third parties in particular the R23 million debt owed to employees' pension funds. This report should be forwarded to the NCOP within one month after the adoption of this report. The administrator should table an audit action plan to the NCOP that addresses all the audit findings identified by the Auditor-General of South Africa. The report should be forwarded to the NCOP within one month after the adoption of this report.

The Select Committee on Co-operative Governance and Traditional Affairs in collaboration with the relevant portfolio committee on Co-operative governance and Traditional Affairs in the Eastern Cape provincial legislature should conduct a follow up visit to the municipality to determine progress made on the intervention and the implementation of the Back to Basic programme.

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The SA Local government Association, SALga, in collaboration with the Local Government Sector Education and Training Authority should facilitate training and capacity building for municipal councillors at Water Sisulu Local Municipality to further deepen their understanding on their oversight role legal framework and policies that govern activities of the municipality.

The Select Committee on Co-operative Governance and Traditional Affairs should systematically monitor and review the implementation of the terms of reference of the administrator as well as the implementation of the municipality recovery plan in accordance with Rule 91(2) of the NCOP Rule. The Eastern Cape MEC for Co-operative Governance and Traditional Affairs should table quarterly progress reports to the NCOP about the performance and implementation of the Back to Basic pillars in the municipality including the filling of the senior management vacancy positions. The committee supports this intervention.

Debate concluded.

Question put: That the Report be adopted.

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In Favour: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West, Western Cape.

Report accordingly adopted in accordance with section 65 of the Constitution.

CONSIDERATION OF REPORT OF SELECT COMMITTEE ON CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS - INSPECTION IN LOCO IN TERMS OF SECTION 139(1) (B) OF THE CONSTITUTION, 1996 IN MALUTI-A-PHOFUNG LOCAL MUNICIPALITY.

Mr J M MTHETHWA: Thank you, Chair. On 10 February 2018, the provincial executive council of Free State province resolved during its meeting to place the Maluti-a-Phofung Local Municipality under section 139(1) (b) of the Constitution, following serious financial, management and service delivery problems at the municipality.

The overall financial position of the municipality was a major source of concern, given its inability to pay and meet its financial obligations timely, as contemplated in the Municipal Finance Management Act, 56 of 2003.

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In terms of the findings of monitoring and oversight actions performed by the provincial department of Cogta and provincial treasury, the municipality met the criteria for determining serious financial problems, as contemplated in section 138 of the Municipal Finance Management Act.

These assessments revealed the following matter of concern: Significant amounts of unauthorised, irregular, fruitless and wasteful expenditure were incurred by the municipality. The municipality has defaulted on its financial obligations due to financial challenges.

The actual current expenditure of the municipality has exceeded the sum of its actual current revenue plus available surpluses, for at least two consecutive financial years. The municipality had an operating deficit balance of R10 million in the current financial year.

With regards to progress made since the commencement of the intervention is that before the intervention there was no billing system in place, which led to the non-collection of revenue by, at least, 10 months. Currently, as a result of the intervention and adoption of a new billing system is in place.

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The municipality was prioritising and trying to service the Eskom debt, and there was a draft budget in place, which will be adopted in the next Council sitting. The municipality has adopted a viable financial recovery plan, with the assistance of the provincial treasury and provincial Cogta. The municipality has also developed a draft organisational structure and the process was in place to consult with labour unions. Further, the local labour forum has since been resuscitated.

Third party commitments, settlement of outstanding arrears on third party payments, including the payment of salaries was now done on time. The municipality has entered into payment agreements with third party companies currently owned by the municipality, and an agreement has been entered into with the organised labour about settling the outstanding contributions over a period of four months ending in July 2018.

The process of filling in of critical vacancies has been initiated with advertisement with a closing date of 22 June 2018 for the CFO, and the senior managers. The administrator has reversed a number of illegal appointments leading to reduction of the salary wage Bill.

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The Municipal Infrastructure Grants, MIG, spending has increased and a number of key projects are progressing very well with most nearing completion. The Municipality has also received deployment of three engineers through Municipal Infrastructure Support Agent, Misa. The administrator has also initiated the process of developing a revenue enhancement strategy.

Regarding the deliberation and view of the select committee, it is of paramount importance that the political leadership of Maluti-a-Phofung Local Municipality needs to realise that their task is to work hard for this municipality, to steer it forward and ensure that it performs satisfactorily. The managers and employees by contrast are there to do their jobs and deliver the expected services.

Any dishonesty or incompetence on either side leads to damage and means that these goals will not be achieved. In this context, co-operation, collaboration and continuous interaction amongst political and administrative leaders are very important.

Solid financial management and good governance guarantee a municipality's financial viability and are therefore among the five national key performance areas with regard to the municipal performance regulation for municipal managers and all managers

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directly accountable to the municipal managers. Thus the performance of Maluti-a-Phofung Local Municipality depends on good governance to ensure that sustainability can become a reality.

Good financial management systems are fundamental elements of transparency, accountability and efficient and effective service delivery in every municipality in the country. They are leading guides to economic, social and infrastructural growth and the development of local government entities and the communities they serve.

Throughout the country they are dictated by legislation. They are expected to be planned, designed and implemented by suitably skilled, experienced and qualified personnel. They are also expected to be operational and functional without political or administrative interference.

Importantly, integrity and accountability leadership and efficient and effective management are the essentials that can move the Maluti-a-Phofung Local Municipality forward.

Having conducted the oversight visit to Maluti-a-Phofung Local Municipality and interacted with internal and external stakeholders,

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it is recommended that: the NCOP approves the notice of intervention in terms of section 139(1)(b) of the Constitution in the Maluti-a-Phofung Local Municipality. The MEC for Co-operative Governance and Traditional Affairs should table progress report to the NCOP; regarding the investigations in terms of section 106 of Municipal Systems Act conducted in Maluti-a -Phofung Local Municipality.

The MEC for Co-operative Governance and Traditional Affairs should provide quarterly and exit report to the NCOP on the progress made in respect of the intervention and in terms of section 106 of Municipal Systems Act. The Select Committee on Co-operative Governance and Traditional Affairs should conduct proactive oversight in collaboration with the Portfolio Committee on Cogta in the Free State Provincial Legislature, in order to assess the progress made in respect of the intervention and section 106 of the Municipal Systems Act.

The appointed administrator should expedite the process of filling of vacancies for senior managers, in order to ensure proper exiting and handing over when the intervention expires or terminated.

Forensic investigations should be conducted and affected officials must be subjected to consequence management. The MEC for Cogta must ensure that the performance contract of CFO has a built-in

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consequence management, if the municipality receives a disclaimer audit opinion.

The municipal council must implement wellness programmes for employees in order to boost staff morale. The provincial treasury should conduct constant monitoring of the budget processes at the municipality.

The South African Local Government Association, Salga, in co-operation with local government sector education and training authority should facilitate training and capacity-building for municipal councillors at the Maluti-a-Phofung to further deepen their understanding of their oversight role, legal framework and policies that govern the activities of the municipality.

Chairperson, I table this Report. Thank you.

Debate concluded.

Question put: That the Report be adopted.

IN FAVOUR: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West, western Cape.

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Report accordingly adopted in accordance with section 65 of the Constitution.

The CHAIRPERSON OF THE NCOP: Hon Michalakis!

Mr G MICHALAKIS: Thank you, hon Chairperson. I hope I am not speaking out of my turn, but just for the sake of the dignity of the House, I also think it is important just to stress that members should at their own time, at least, read that report once before they come to the podium. Thank you.

The CHAIRPERSON OF THE NCOP: Thank you, the point is taken but it's not a point of order, which should have come at this point.

Hon members, the House has agreed on this report.

PUBLIC AUDIT AMENDMENT BILL

(Consideration of Bill and of Report thereon)

Mr C J DE BEER: Hon Chairperson, the Public Audit Act, 2004, gives effect to the provisions of the Constitution of the Republic of

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South Africa, 1996, by establishing and assigning supreme auditing functions to the Auditor-General of South Africa, AGSA.

The AGSA enjoys a large degree of independence, which allows it to select the most effective manner in which to execute its constitutional mandate. The Act, however, does not give its authority to implement its recommendations, to investigate undesirable audit outcome or to recover losses to the state. The AGSA depends on the executive to implement its recommendations.

On 16 November 2017 the Standing Committee on the Auditor-General in the National Assembly amended the Act in order to strengthen the AGSA and that process was concluded in the National Assembly. The Bill was then referred to the Select Committee on Finance and we were briefed on the Bill on 26 June 2018 and voted on the Bill.

The proposed amendments refer to: To allow the AGSA to take remedial action, to ensure that losses suffered by the state are, where possible, recovered, and to refer certain suspected material irregularities for investigation; to empower the AGSA to perform international audit work and to conduct performance audits; and to align the AGSA's governance arrangements to current best practices.

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The reasons for the amendments: To amend the Public Audit Act, 2004, so as to delete certain definitions and to insert new definitions; to provide for certainty regarding the discretion of the Auditor-General with regard to certain audits; to authorise the Auditor-General to undertake performance audits and to provide audit or audit related services to an international association, body, institution or organisation; to provide for the Auditor-General to refer suspected material irregularities, like irregular expenditure, arising from an audit performed under this Act, to a relevant public body for investigation; to empower the Auditor-General to take appropriate remedial action; to provide for the Auditor-General to issue a certificate of debt where an accounting officer or accounting authority failed to recover losses from a responsible person and to instruct the relevant executive authority to collect the debt; to provide for the establishment, powers and functions of a remuneration committee; to provide for consultation between the Independent Commission for the Remuneration of Public office bearers and the remuneration committee; to provide for additional reporting requirements; to provide for the defraying of certain excess audit fees as a direct charge against the National Revenue Fund; to revise the provisions relating to the appointment of an audit committee for the Auditor-General; to provide that the Auditor-General makes

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regulations on specific issues; to substitute certain expressions; and to provide for matters connected therewith.

The Select Committee on Finance, having considered the Public Audit Amendment Bill [B13 - 2018], referred to it, and classified by the Joint Tagging Mechanism as a section 75 Bill, reports that it has agreed to the Bill without amendments. I therefore table this Report and the Bill for consideration by the House. Thank you, Chair.

Declarations of vote:

Mr F ESSACK: Hon Chairperson, it is indeed a novel experience for me to stand here today and honestly applaud a piece of legislation. The Office of the Auditor-General, being a Chapter 9 institution, has achieved an outstanding reputation for the quality and integrity of its work. The AG's office is responsible for conducting audits of over 500 auditees, every year.

During the course of these audits, those involved come across information that exposes clear evidence of corruption, fraud and collusion coupled with various attempts to hide such activities as it has already been experienced, just as yesterday, in the hearings on the North West province.

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Further evidence by the Office of the AG is the recent report tabled on the audit findings in municipalities. I would like to quote the AG and I quote:

The latest municipal results indicate that the AG's audit council has largely not been implemented, at best or even totally ignored and at worst, as the audit outcomes reflect the state of governance, he had painstakingly cautioned against.

The implementation of this Bill will now cost the state an estimated R34 million for this financial year alone. Sadly, the ANC's reluctance to hold offenders accountable, to ensure breaches of the PFMA or the MFMA were met with serious consequences and can only be attributed to a fear of reprisals either in the form of loss of votes or of course in the form of indirect financial support from its cadres.

In conclusion, we in the DA, take information received from the Auditor-General very seriously. We support the Public Audit Amendment Bill and trust that the Office of the AG will now become a power for democracy as it has always been intended. I thank you, Chair.

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Mr D M MONAKEDI: Hon Chairperson, hon members, ladies and gentleman, the ANC welcomes the Report as presented by the chairperson of the committee and fully support the Public Audit Amendment Bill as tabled. It is our considered view that the amendments as proposed are long overdue.

For the first time, the Auditor-General will have the authority to take remedial action on his or her findings and also to ensure that financial losses suffered by the state are recovered. These amendments therefore, give the Auditor-General teeth to bite and not just a mouth to bark.

Without this authority and in the words of the Auditor-General, Mr Makwetu, the audits they do gets reduced to editing with no real consequences. However, with these amendments, the Auditor-General will be able to follow through his findings and recommendations by referring some of the investigations to law enforcement agencies and also issue the certificate of debt to those who have to pay back the money due to the state.

The ANC expects Parliament and its committees to support the work of the Auditor-General by strengthening its oversight role and hold the

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executive authority to account especially on the full implementation of the remedial action the AG would have come up with.

For us as the ANC, this piece of legislation represents our resolve to usher in the new dawn - our resolve to deal decisively with maladministration and corruption. The ANC supports the Report and the Bill as presented. Thank you.

Mr L B GAHLER: Chairperson, the UDM supports this Bill. This piece of legislation was long overdue. It will improve democracy. With this legislation, political parties will be held accountable by voters.

With this legislation, the Auditor-General will hold political parties and the private sector accountable. This Bill is supported by the UDM. It's long overdue. I thank you.

Debate concluded.

Question put: That the Bill be agreed to.

Ms G G OLIPHANT: It is now working.

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: It is now working. Can I be given the count?

[Take in from minutes.]

Bill accordingly agreed to, in accordance with section 75 of the Constitution.

**CONSIDERATION OF POLITICAL PARTY FUNDING BILL AND REPORT OF AD HOC
COMMITTEE ON THE FUNDING OF POLITICAL PARTIES THEREON**

Mr D STOCK: Hon Chair, hon members, members in the gallery, ladies and gentlemen. The NCOP established the ad hoc committee on the funding of political parties on 18 April 2018, and the Bill was referred to the committee on 19 April 2018. The purpose of the Bill is; to provide for and regulate the public and private funding of political parties in particular the establishment and management of Funds to fund represented political parties sufficiently, to prohibit certain donations made directly to political parties, to regulate disclosure of donations accepted, to determine the duties of political parties in respect of funding, to provide for powers and duties of the Commission, to provide for administrative fines, to create offences and penalties, to repeal the Public Funding of

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Represented Political Parties Act 1997, provide for transitional matters and to provide for important related matters as well.

In processing the Bill, the Committee placed advertisements in the print media in all 11 official languages and calling stakeholders and interested parties to comment on the Bill. There were 11 written submissions received as well as 9 requests to make oral presentations before the ad hoc committee. After considering the written submissions, the committee invited all who requested to make oral presentations to do so. Only 8 stakeholders accepted the invitation and subsequently attended a public hearing on 20 June 2018 to make oral submissions. In addition to technical briefings by the legal and content advisers, the committee also invited National Treasury and the Independent Electoral Commission to give their views on the Bill during a meeting on 6 June 2018 and a follow up meeting was also held on 13 June 2018.

At the time when the committee was deliberating on the Bill, there was a Constitutional Court case pending which was finalised days before the committee finalised the report. Some of the stakeholders had raised concerns on possible impact of the pending case before Constitutional Court on the Bill processing. Subsequent to the ruling by the Constitutional Court on 21 June 2018 the committee

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received follow up submissions from My Vote Counts, South African National Editors' Forum, Sanef, and amaBhungane Centre for Investigative Journalism.

In response to these submissions the committee noted that the court also dealt with whether its judgment undermined the Political Party Funding Bill, 2018. In this case, the court held that the ongoing law making process may comfortably run parallel to this judgment without the one being undermined by the other in any way. Parliament enjoys functional independence in its lawmaking obligations even in relation to the regulation of private funding. Whether it does so through one, two or more pieces of legislation falls squarely within its discretionary powers. The court further held that it was not for it to prescribe to Parliament whether the recordal, preservations and disclosure of all information relating to private funding should be regulated in terms the Promotion of Access to Information Act only, or with this Act and another legislation or Promotion of Access to Information Act and other measures.

It is important to note that the court order has immediate effect as the Constitutional Court held and that in the interim it is open to those seeking access to information on private funding to do so in terms of section 32(1)(b) of the Constitution or the relevant

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provisions of Promotion of Access to Information Act, PAIA, as understood within the context of this judgment. All they would have to do is to state that they require information for the exercise or protection of the right to vote to ordinary citizens of the country. Other issues that were raised by some stakeholders were among others; the prescribed threshold required to disclose donation as well as the prohibition of donations to members of political parties.

Hon Chairperson, allow me to take this opportunity to thank members of the ad hoc committee, the inputs from all stakeholders, parliamentary staff and in particular I would like to thank Professor Cheadle from the University of Cape town and the former Minister of Environmental Affairs and Tourism, Mr Valli Moosa, for the commitment, dedication and passion to ensure that the Bill comes to its final conclusion and that it is being properly processed in the NCOP. The committee came to the view that the current threshold is acceptable and also responded in detail in this Report with regard to the prohibitions. Hon Chairperson, allow me to table this Report before the House for adoption and consideration. I thank you.

[Applause.]

Debate concluded.

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Declaration(s) of vote:

Ms Z V NCITHA: Chairperson, on behalf of the African National Congress, we support the Bill. The Political Party Funding Bill that we present to this House today is a reflection of what naturally should development under a matured multiparty democracy such as us. All political formations that believe in accountability, transparency and sovereignty as a nation and in a democracy should be in support this Bill, Chair.

The argument advanced by some of the safeguarding donor's privacy and the expenses of making their identity known to voters goes against both legislation and the principle of transparency. The Constitution in section 2(36) states that; in order to enhance multiparty democracy national legislation must provide for the funding of political party participation in national and provincial legislature on an equitable and proportional basis. Smaller parties have raised their concern that the current fund distribution formula of 90% proportional and 10% equitable does not conform to the constitutional provision.

The Bill address this matter and should be welcomed by reasonable and rationale minds. Colleagues, it is very important to note that at no time during the last 24 years have political parties been

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obliged to be transparent about their sources of funding.

Notwithstanding the fact that at the centre of our parliamentary duties as Members of Parliament is the obligation to hold others accountable. We, as represented of political parties are not being held accountable to explain how we use the donations we receive from private funders or why these donations to the political parties were made in the first instance.

In this regard, the overwhelming majority of South Africans insisted on total disclosure of the political funding. The court agreed and today we have heard the demand and we are implementing them accordingly. We so move. Thank you.

Mnu L B GAEHLER: Mama, kubhidene iincwadi apha...

English:

... unfortunately it has been a long time but anyway I am sorting out my systems here. Chairperson, in a few words, Mam'uNcitha has really covered me here. The Bill is supported by our party knowing very well that public will know private donors. The days of private donors buying parties are gone with this Bill. We really support this Bill and it will assist all parties even smaller parties, it will assist democracy and voters. For a change now, we will know who

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is assisting who. Buying of votes days is of the past with this new Bill. As the UDM, we support it. Thank you.

Ms C LABUSCHAGNE: Chairperson, on behalf of the Democratic Alliance I need to raise serious reservations about the implications of the implementation of the Bill on funding of political parties. According to the Independent Electoral Commission's input on 7 June 2018, a number of challenges needs to be overcome before this Bill could be fully implemented. These challenges includes; the development of systems, processes or regulations, skills and the necessary funds. The proposed budget of R45 million was unaffordable and was adjusted to the amount of R20 million for the first year of implementation and thereafter R38 million and R39 million respectively.

These limited resources will require a phase-in implementation with certain aspects of the legislation prioritised such as; the implementation of the representing political party fund, establishment of the multiparty democracy fund, limited annual reporting and disclosure by political parties of all resources, amount of direct funding to the Independent Electoral Commission, IEC, and research of policy development. This phase-in implementation will result in the postponing of the compliance and

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enforcement functions in the beginning phase which raises serious questions on why do we prioritise and race through a process of lawmaking to then water it down to legislation that would have no compliance and enforcement in the first phase which may have some unintended consequences for the future? With these reservations in mind, the Democratic Alliance supports the Bill. Thank you.

Question put: That the Bill be agreed to.

Bill accordingly agreed to, in accordance with section 75 of the Constitution.

APPROPRIATION BILL

(Consideration of Votes and Schedules)

Mr C J DE BEER: Hon Chairperson, the 2018 Budget supports the implementation of government policy decisions outlined by the State President in the state of the nation address. It supports economic cohesion through increased education, health and social development funding in the face of economic constraints and challenges.

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The objective is to focus on economic growth, consolidate debt, deal with the revenue shortfall, addresses the needs of the poor and funding fee-free higher education, the National Health Insurance, the NHI, and social grants for the poor.

The Appropriation Bill is the legislation that provides for the appropriation of money by Parliament from the National Revenue Fund in terms of section 213 of the Constitution of Republic of South Africa of 1996 and section 26 of the Public Finance Management Act of 1999.

The total Appropriation Bill amounts to R814,5 billion for the financial year 2018-19, excluding direct charges such as the provincial equitable share and debt-service costs. The Department of Social Development, with R172,9 billion, receives the largest appropriation of all the departments; followed by the SA Police Service, with R91,8 billion; and the Department of Co-operative Governance and Traditional Affairs, with R83,7 billion.

Rounding up, the top-ten departments receiving the largest appropriations include: Higher Education and Training; Transport; Defence and Military Veterans; Health; Human Settlements; National Treasury; and Basic Education. These appropriations are in line with

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the government priorities of providing health services, education, social grants, housing opportunities and safety and security to South African citizens.

Departments also benefited from the reallocation of funding and additions to budget baselines in the 2018-19. These include: Basic Education, which received R1,5 billion for the School Infrastructure Backlogs Indirect Grant; and also for the completion of current projects reallocated from the Education Infrastructure Grant.

Health received R700 million for the development of an interim National Health Insurance structure; and the NHI Indirect Grant to cater for a package of prioritised NHI services. Human Settlements received R518,7 million to the Title Deeds Restoration Grant to address the title deeds backlog, which is very important.

Social Development received R327,5 million for social assistance grants to offset the impact of the new tax measures, also referring to the 1% increase in VAT. Economic Development received 240 million for the operationalisation of the Tirisano Construction Fund Trust.

Home Affairs received R180 million to the Independent Electoral Commission for the 2019 National Government Elections.

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The Select Committee on Appropriations, having considered the Appropriation Bill, referred to it and classified by the Joint Tagging Mechanism as a section 77 Bill, reports that it has agreed to the Bill without amendments. The committee further reports that the DA and EFF reserved their rights to support this Report.

I move that the Bill be agreed to. Thank you, Chair.

Debate concluded.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: I shall now put the votes in the order in which they appear in the schedule of the Bill. Before I do I would like to remind us that during the voting, doors will be closed.

Vote No 1 - Presidency - put.

Declarations of votes made on behalf of the Democratic Alliance, Inkatha Freedom Party and African National Congress.

Division demanded.

Voting.

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Mr C HATTINGH: On a point of Order: the DA feels that the Bells should have been rung and members outside should have had the opportunity to come in. There are at least two members that I know of that are outside, who wanted to come in, but they didn't have the opportunity because the Bells were not rung.

The CHAIRPERSON OF THE NCOP: Your point is taken, hon Hattingsh. Thank you very much. Hon members, we will have to redo the process for correctness. The bells will be rung for 30 seconds.

[BELLS RUNG.]

The CHAIRPERSON OF THE NCOP: We were told members are outside! Okay, are they all in? Thank you very much. Can we call the House back to order, please? Can we call the Houses back to order? We will take the decision on the votes for Vote 1, again.

Voting.

The Council divided:

AYES - 30: De Beer, C J; Dikgale, M C; Dlamini, L C; Gaehler, L B; Khawula, M; Makue, E R; Mampuru, T K; Mateme, H E; Mlambo, E; Monakedi, M D; Mohai, S J; Moshodi, M L; Motlashuping, T C;

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Mthethwa, J M; Mthimunye, S G; Ncitha, Z V; Nthebe, B G; Nyambi, A J;
Oliphant, G; Parkies, J P; Prins, E; Rayi, M; Samka, P C; Saziwa, M;
Sefako, O J; Singh, A S; Stock, D; Wana, T; Ximbi, D L; Zwane, L L.

NOES -10: Engelbrecht, B; Essack, F; F; Hattingh, C; Josephs, D;
Julius, J W W; Labuschagne, C; Magwebu, L V; Michalakis, G J;
Mpambo-Sibhukwana, T G; Terblanche, O S.

Vote agreed to (Democratic Alliance and the Economic Freedom
Fighters dissenting).

Vote No 2 – Parliament – put.

Vote agreed to (Democratic Alliance and Economic Freedom Fighters
dissenting).

Vote No 3 – Communications – put.

Vote agreed to (Democratic Alliance and Economic Freedom Fighters
dissenting).

Vote No 4 – Co-operative Governance and Traditional Affairs – put.

Declaration(s) of vote:

Ms N P KONI: Chair, it is clear for all to see that the Department of Co-operative Governance and Traditional Affairs is failing to do its job as throughout our country local government has collapsed. We see this on the ground where our people do not get services from their municipalities, and people who are employed in municipalities are often useless and without capacity as a result of the ANC's cadre deployment. This leads to municipalities having to be placed under administration.

The collapse of local government is also clear in the finances and in the numbers. The 2016-17 local government audit outcomes report shows that there was 28,5 billion in irregular expenditure from municipalities. On top of this irregular expenditure, municipalities are owed more than 100 billion by government departments, businesses and households.

This clearly shows how mismanagement, incapacity and corruption have completely collapsed local government, which, instead of being a key vehicle in delivering services to our people, is used as a tool to dispense patronage.

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With municipal money being misused, and municipal spending and tenders being used irregularly, the poor have borne the burden of this corruption as the basic services government is meant to provide them, it fails to provide.

The state and municipal budgets being used as a tool of self-enrichment and patronage has fuelled political killings in KwaZulu-Natal and other parts of the country, where we continue to see the violent assassinations and killing of councillors as the ruling party fights for who has access to state resources, and kills all those who expose corruption.

While the ANC fights for power and patronage, our people continue to be ignored as local government collapses and fails. This is why we reject the Budget Vote for Co-operative Governance and Traditional Affairs. Thank you, Chair.

Mr M KHAWULA: Chair, the IFP wishes to remind government that the powers, functions and role of traditional leaders still remain a grey area in the governance of our country. Whilst it has been very swift for Parliament to attend to constitutional amendments with regard to the issue of land – which we do not have a problem with – we however notice that there has been no movement at all in

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attending to, either legislating or providing constitutional amendments in order to recognise the role, functions and powers of traditional leaders.

This was promised by the ANC government during President Mbeki's era. It is therefore a matter that does not just spring out of the blue. It has always been on the agenda of redressing the wrongs of the past. Traditional leaders must be recognised in a manner befitting.

The IFP also acknowledges the many defects and shortcomings in our municipalities in respect of good governance. In this respect we appeal to all those involved – our councillors in the country and the administrators – to treat local government seriously.

The sphere of local government is very important in the governance of our country. It is the sphere closest to the people and a sphere that is at the coalface of service delivery. Therefore, councillors, mayors and speakers must make it a norm to always put the people they serve first in everything they do. This will help minimise the increasing number of service-delivery protests in the country. I thank you, Chair.

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Mr J M MTHETHWA: Chairperson, the primary purpose of the Department of Co-operative Governance and Traditional Affairs' Appropriation Vote of funds is to improve co-operative governance across the three spheres of government to ensure that provinces and municipalities carry out their constitutional, developmental and service-delivery functions effectively, and where relevant in partnership with institutions of traditional leaders.

We noted the Department of Co-operative Governance and Traditional Affairs' commitment to build sustainable, well managed and committed municipalities to perform management. We have noted the commitment to a higher level of service delivery with sound financial management and strengthened participatory democracy, whilst adhering to the principle of Batho Pele.

We are encouraged that the Minister and the department will prioritise the provision of infrastructure planning, delivery, operation and maintenance in the 27 priority district municipalities and the 55 distressed municipalities.

We are encouraged by the work of the Minister and the department in processing the forensic report of the investigation into allegations of corruption in municipalities. The processes must be expedited and

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those who are implicated must be disciplined or referred to law enforcement agencies. The ANC supports this Budget Vote.

Ms C LABUSCHAGNE: Hon Chairperson, the DA would like the Council to note the following matters on this Vote. Service-delivery protests, section 139 interventions, dysfunctional municipalities with audit disclaimers, matters of corruption and malfeasance, and political assassinations among councillors are all on the increase.

Furthermore, irregular, fruitless and wasteful expenditure is still too high.

Municipalities that have been placed under section 139 (1) (b) – Administration or (c) – Dissolution, has proven to have failed, ensuring that the oversight implementation of these dysfunctional municipalities regressed instead of improving. In some instances we have witnessed council financial debt increasing extensively when placed under administration. Municipalities owe Eskom billions of rand in outstanding debt and this is impacting negatively on service delivery.

The most recent interventions in the North West province further vindicates our continued questioning of cadre deployment as the interministerial task team in its report to the ad hoc committee

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highlighted in its findings that, that is one of the root causes for the collapse of the province. Where 20 out of 22 municipalities were found to be dysfunctional, this was due to incompetent senior management.

Funds illegally placed with the VBS Mutual Bank by underperforming ANC councils is yet another crisis which the department has failed to adequately resolve. The Department of Co-operative Governance and Traditional Affairs has failed to clearly define the roles and responsibilities of traditional leaders, and as to whether this is in conflict with or complements local government.

There is also underfunding of the entities within the department. The reduction of R603 million in the Municipal Infrastructure Grant allocation will further hinder basic service delivery to the already poor and marginalised, whilst the department allocates R2,7 billion for very important persons, VIP, protection.

Based on the above declaration, the DA therefore opposes the Budget Vote for the Department of Co-operative Governance and Traditional Affairs.

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Mr L B GAEHLER: Chairperson, the UDM supports the budget; however, we want to make a clarion call to the government that the state of municipalities, especially in the Eastern Cape, is worrisome – where there is no rubble collected, where potholes are the order of the day and where corruption is the order of the day. We are becoming amatshipha ... [can hardly go home] ... Chairperson because of the state of the roads. The roads are very bad and it's been going on for years.

So, we make a clarion call to the Minister. We welcome the appointment of a municipal manager in the King Sabata Dalindyebo Municipality. It's long overdue. However, we are concerned about the state of the towns of Port St Johns, King Sabata Dalindyebo, Mnquma and Mbhashe.

Worst of all is corruption, which needs to be looked at in terms of the tender system. In some municipalities you find that certain service providers have been used for the last 10 years while those service providers only channel money to political parties.

So we therefore request that more must be done. People cannot continue living in this state, where they live with rats in towns where there are no roads. We support the budget. I thank you.

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Division demanded.

The Council divided.

Mr G MICHALAKIS: Point of order, Chairperson: In terms of Rule 66 (a) – I think it happened the previous time – it states – and that's the whole point of a physical division – that those against move to one side designated in the Chamber and those in favour to another side. It makes counting very difficult if some members who are against a Vote sit with those who are in favour of a Vote. In terms of Rule 66 (a), I would then request you to please instruct those members to join us. [Interjections.]

The CHAIRPERSON OF THE NCOP: Thank you very much. Hon Koni, I'm not going to rule on this matter. The hon member of the EFF knows full well that this has been the ... [Inaudible.] However, there is no rule that says the member cannot sit where she is ... [Inaudible.] The physical division of the House makes it easier for counting, and if this member decides that she is not making it that easy for us to count then I'm going to let it go for progress sake. Hon Koni, what is your point of order?

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Ms N P KONI: It can't be that when we are dealing with a very crucial matter of land expropriation without compensation, then I would have to see myself sitting on that side with members who do not want section 25 of the Constitution amended. So, can I be allowed to sit where I want to sit? Thank you.

The CHAIRPERSON OF THE NCOP: Hon members that was not a point of order. We are proceeding. [Interjections.] Order members! We are at the point where we continue with those who are in favour.

AYES: De Beer, C J; Dikgale, M C; Dlamini, L C; Gaehler, L B; Khawula, M; Makue, E R; Mampuru, T K; Mateme, H E; Mlambo, E M; Monakedi, M D; Mohai, S J; Moshodi, M L; Motlashuping, T C; Mthethwa, J M; Mthimunye, S G; Ncitha, Z V; Nthebe, B G; Nyambi, A J; Oliphant, G; Parkies, J P; Prins, E; Rayi, M; Samka, P C; Saziwa, M; Sefako, O J; Singh, A S; Stock, D; Wana, T; Ximbi, D L; Zwane L L.

NOES: Engelbrecht, B; Essack, F; Faber, W F; Hattingh, C; Josephs, D; Julius, J W W; Koni, N P; Labuschagne, C; Magwebu, L V; Michalakis, G J; Mpambo-Sibhukwana, T G; Terblanche, O S.

Vote agreed to (Democratic Alliance dissenting).

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Vote 5-Home Affairs - put

Declarations of vote:

Mr C HATTINGH: Chairperson, it is now a month since the department's policy sees debate took place in this House. There is still no evidence of promises made during these debates actually being implemented, despite being highlighted and undertaken by the department.

The queues at the Department of Home Affairs remain long, offices are still not reopened on Saturday mornings and it appears that despite this promises it is business as usual at the Department of Home Affairs.

The fire blaze saga continues in courts despite even an attempt by the ANC to intervene. The imposing of ridiculous visa requirements for instance in New Zealand, where New Zealand citizens wishing to visit South Africa having to travel all the way to down to Wellington at the Department of Home Affairs office. It is about eight hours drive from the most inhabited city of Auckland and offers which has become notorious in not only answering his email or even telephones. Staffs shortages due to Budget constrain continue and in fact is becoming more acute.

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The damage inflicted on the South Africa economy by the department of home affairs was highlighted last week when Statistics SA on Monday released its publication tourism and migration, which the results presented the story of doom and gloom. The results reflected the decrease on tourism arrivals in South Africa. In a comparison, it reflects that in March 2018, there were over 3,5 million arrivals in South Africa compared to close to 4 million in April 2017, a year ago. Those figures reflect an almost 7% decline in foreign arrivals.

Tourism has been a perennial creator of good news as it has shown growth rich greater than the gross domestic product, GDP, of economy in the past. This disappointing result has been met with the habit of lies by some politicians. Day zero has been blamed as a primary cause for the decline of tourism numbers in South Africa. This is simply not true, as tourism figures in our neighbouring countries are growing.

Ms L C DLAMINI: Where?

Mr C HATTINGH: Zimbabwe, Madam. You can go there, please. The truth is that the decline in tourism can be attributed to an inability of the Department of Home Affairs and the Department of Tourism to finalise the visa regulations. The dreaded an harmful visa issue

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could have been resolved two years ago but there appears to be no political will to resolve this visa issue. Until the department gets its house in order, supports at South African Tourism industry and economy and since its political bickering, it shouldn't be entrusted with public funds. We don't support this Vote. [Time expired.]

Ms T K MAMPURU: Hon Chairperson, at the 53rd National Conference of the ANC, which was held in Mangaung in the Free State in December 2012, we committed ourselves to positioning of the Department of Home Affairs to be the backbone of security, service delivery and the developmental state. We said this because we are aware that under the apartheid regime, the main objective of the Department of Home Affairs was to control our people and deny them their citizenship, identity, dignity and freedom of movement amongst our injustices that were mated against them.

Our commitment to transform the Department of Home Affairs was also informed by our national duty to lead our society and to deliver quality services in a more innovative and people centred manner that is not only convenient but also dignified.

Today, we can say with outmost pride and humility that we have transformed this department. Today, our people have a Department OF

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Home Affairs that plays a critical role in providing them with pertinent documents to access their basic rights and services. We have moved with utmost speed to ensure that this department becomes the backbone of the developmental state that we seek to build.

We have ensured that, this department remains central to our national efforts to strengthen national security and provide our people with the services that our Constitution entitles them. We want to take this opportunity to congratulate the department for all stress and tireless efforts to make this department the flagship of our national efforts to transform South Africa and that it continues to innovatively execute its important mandate.

It is through our decisive and vigilant leadership, that, today; we have a department that continues to play a crucial role in enabling all South Africans to proudly claim their citizenship with utmost dignity and a great sense of pride. As the ANC, we are proud of the progress that the department is making to modernise and digitalise the Department of Home Affairs in order to transfer the inconvenience of service delivery away from the clients towards ourselves. The ANC supports the Department of Home Affairs' Budget Vote because it narrates the journey of the effectiveness of our

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decisive national efforts to transform South Africa and change the lives of our people. I thank you.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 6 - International Relations and Co-operation - put

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 7 - National Treasury - put and agreed to.

Declarations of votes made on behalf of the Democratic Alliance, and the African National Congress.

Declaration(s) of vote:

Mr F ESSACK: Hon Chairperson, on behalf of the Democratic Alliance I point out that today we are at the culmination of a budget process that was tabled in February this year. Sadly, this process is mostly just the formality. Therefore, in the case of the budget Parliament is, of course, just used as a rubberstamp. The budget tabled in February 2018 and to which this Appropriation Bill is linked, a

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number of announcements were made. These announcements include, amongst others, a 1% each increase in value-added tax, VAT, to sum 15% now and, of course, a massive 52 cents a litre increase in fuel levies. These increases are clearly evident in a general cost of living with the poor suffering the most from maladministration and corruption in the ANC government.

This is a massive smack in the face of the poor with some nine and half million people that are unemployed. In order to create a quasi-attempt to counter the burden on the poor a minimal increase in grants was given, another smack in the face of the poor. The child support grant remains below the food poverty line of R441 per month in South Africa. Despite the Democratic Alliance proposing expenditure reductions on items such as entertainment, a very important person, VIP, security and luxury vehicles, it was unfortunately not considered.

Further cuts to grants meant for local government to deliver better services were made, and this were further then nullified by increases in other expenditure area. Hence, the only thing achieved was to cut finances to local government - a very questionable move given the disastrous state of municipalities on the verge of a full blown crisis if not already in a full blown crisis.

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In conclusion, this government remains a rent-seeking government asking the poorest of the poor to bailout corruption and the maladministration of the ANC. This Vote represents an empty poor budget championed by the arrogance of the ANC. Therefore, the Democratic Alliance definitely unequivocally does not support this Vote. Thank you.

Mr C J DE BEER: Hon Chairperson, the ANC supports Budget Vote 7, but the public must take note that Parliament processes the budget to all its processes including public participation dealing with the Fiscal Framework and Revenue Proposals that was adopted on 7 March 2018, and dealing with the Divisional Revenue Bill that was adopted later, taking that to the nine provincial legislatures and conducting public hearings. That is public participation ... [Interjections.] ... they are still living in the past.

The ANC supports Treasury's commitment creating and fostering an environment for growth, but it is positive. The priority is to create jobs, especially for the young people. There are several initiatives planned to facilitate this goal. It's a positive goal. There is a significant push to create new investments in the economy and a planned investor conference. There is a stronger focus on

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municipalities and provinces to ensure that there is service delivery.

The ANC supports and welcomes Treasury's commitment to fight corruption - also funding and supporting the Commission of Enquiry into the State Capture by providing information. The National Treasury is determined rebuilding and branding of the SA Revenue Service, Sars. The National Treasury is committed to maintain the expenditure ceiling set by country's Fiscal Framework. The ANC welcomes the R57 billion for the fee-free higher education that has been allocated over the Medium-Term Expenditure Framework, MTEF. These members on my right hand side voted against it. Funding was secured over the 2018-19 budget for social grants to offset the likely impact on poor households given the new tax measures headlined by the 1% VAT increase they voted against it.

In the Fiscal Framework and Revenue Proposals Report of 2018, we noted that some progress had been made in implementing the 14 confidence boosting measures that the Minister of Finance started implementing in 2017. We continue to urge the National Treasury to rigorously implement the confidence boosting measures to unlock South Africa's growth potential, taking into account the President's 10-point plan announced in the state of the nation address this

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year. The ANC welcomes the latest economic information which shows that the government did not breach its expenditure ceiling in the 2017-18 financial year. The ANC supports Budget Vote 7. Thank you.
[Applause.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 8 - Planning, Monitoring and Evaluation - put.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote 9 - Public Enterprises - put

Declarations of vote:

Mr M KHAWULA: Hon Chairperson, the IFP maintains that government is deliberately reluctant to redress the wrongs in our state-owned enterprises, SOEs. This is all due to the disease of the cadre deployment by the ruling party. Everybody knows that the gateway to state capturing in this country was through infiltrating the country's SOEs but up until now very little has been done to bring the culprits to book. There has been a lot that has been said but

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very little action being taken. Even the boards that get changed is just a matter of comrades replacing other comrades.

This is as good as saying we experienced the label of the bottle being changed but the wine is still the same. We want to see action being taken to arrest people responsible for corruption and to get money that was stolen back into the coffers of the state. I thank you, Chair.

Dr H E MATEME: Chairperson, hon members, ladies and gentlemen, the ANC appreciates that this budget and government's action in recent months have taken our country decisively in a different direction concerning state-owned enterprises and reflecting the position that these assets are central to our developmental agenda. Chair, we are pleased that our government will ensure that SOEs make their contributions to new investments by using both public resources and by leveraging private sector resources through investments in infrastructure.

Mercedes Benz in the Eastern Cape is the case in point. This will enable growth in our economy by lowering the cost structure supporting the Small, Medium and Micro-sized Enterprises, SMMEs development and delivering important public services to our people.

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The ANC supports the objective articulated by the Minister to recapture our SOEs by appointing boards and executive management teams made up of ethical and competent people in order to re-establish good governance.

By rooting out the networks of corruption we believe that our SOEs will be returned to financial health and sustainability. The ANC supports this budget vote and thank you very much.

Mr J W W JULIUS: Hon Chair, it is surprising to see that the ANC is now taking a new direction but still supports this budget vote like they did all these years. They actually rewarded corruption. You gave the money to the Guptas and Zuma and his cronies. Eskom, Denel, SA Express, Safcon and Transnet all received qualified audit opinions. I do not know how you can support this. Eskom suffered a loss of R6,4 billion and cannot pay its debts. This will impact on the credibility of the South African government.

Recently Eskom workers embarked on a strike and demanded 15% increase which Eskom is offering a zero percentage and then 3%. It is clear that Eskom is broke and they cannot afford this. The Finance Minister even said that there is no money to pay for these salary increases. So, there is a huge problem in Eskom and in

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keeping our lights on. Although the current load shedding has been exacerbated - the member must listen and not support everything - your chicken revolutionary style must end - the reality is that years of mismanagement of Eskom is at the root of this crisis and today there is still no agreement found between the unions and Eskom.

Transnet's irregular and an unlawful purchase of 1 064 locomotives and the increase of locomotives from R38 billion to R54 billion and still did not get into a solution after seven years. This is a serious concern and it is totally unacceptable. Instead of running these big state-owned companies to create better infrastructure and economic transformation, to job creation, the ANC insists on bailouts instead of putting the entities under business rescue.

The DA already proposed that Eskom must be divided into transmission and generation entities. This will provide for the needed competition in the energy sector. South Africans cannot sit in darkness whenever Eskom faces challenges brought to us from all these years of the corruption of the ANC-led government. We cannot support this budget vote because we feel that the ANC is again rewarding corruption. I thank you.

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VOTE 9- Public Enterprises - Put and agreed to.

Vote No 10 - Public Service and Administration - put.

Division demanded.

The Council divided.

[TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and Economic Freedom Fighters dissenting).

Vote No 11 - Public Works - put.

Division demanded.

The Council divided.

[TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and Economic Freedom Fighters dissenting).

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Vote No 12 - Statistics South Africa - put and agreed to.

Declarations of vote:

Ms B A ENGELBRECHT: Chairperson, the DA fully realises the important role Statistics SA plays in producing relevant and accurate statistics, in line with internationally approved practice, to inform users of the dynamics of the economy and society, yet this budget before us stands at R2,22 billion for the current financial year and is a significant reduction compared to the R2,49 billion budgeted in the previous financial year.

These budget cuts have particularly compromised the ability of Statistics SA to fill, attract and retain necessary skills. Its staff complement has been reduced, with a significant decrease of funded posts in the current financial year. Whilst it should have access to the best skills in the market, vacancies have not been filled since October 2016, 170 staff members have left, and the vacancy rate has increased to 13%. Our statistics will remain meaningless unless they are embedded in the key priorities of government and become part of the planning tools used by the three spheres of government in directing our scarce resources.

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The lives of our people will not improve when faced with a government that does not recognise the importance of accurate statistics and the value of its use in its everyday work. A DA-led government would cherish this institution and utilise the valuable information produced to bring total change to all the people of South Africa. We would use it to combat inequality, make our communities safer, skill our youth, bring in investment, create jobs, combat illegal immigration, confront apartheid spatial planning, and improve the health services of government.

Increasing appreciation of the role, power and importance of statistics should lead to a higher priority attached to statistical capacity development and, therefore, the DA supports this Vote.

Mr T C MOTLASHUPING: Chairperson, the ANC supports this Vote on the basis that the credibility of the statistics released since the inception of this office has never been questioned and that it has assisted government in terms of its budgeting, its allocation of resources, and also its allocation in terms of human and skilled personnel distribution in the country. It is on this basis that the ANC fully supports and rallies behind this office that has credibility, integrity, honesty and fairness. Thank you.

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Vote No 13 - Women - put.

Vote agreed to (Democratic Alliance and Economic Freedom Fighters dissenting).

Vote No 14 - Basic Education - put

Declaration(s) of vote:

Mr C HATTINGH: Chairperson, only yesterday the Select Committee for Education spent the day listening to different provincial departments doing their respective presentations of the 2017 matric results, also on the Learner-Teacher Support Material, LTSM, and the national school nutrition programme. From the different presentations, one could deduct that South African education is doing very well, and to quote the Deputy Minister, it is on a steep upward curve.

However, when we, as the select committee go on an oversight, a totally different picture emerges. In almost every school there was a complaint about shortage of stationary, textbooks, maintenance, the other story of the toilets and the evolution facilities. This select committee's observations and experiences are confirmed by

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international surveys, where our learners perform very badly internationally. They are last in reading; last in Science and second last in Maths. Our young citizens need to be able to compete in a globalised world.

Unfortunately, apart from repeated failures as outlined, as well as the budget reduction, we are further sabotaging chances for the South Africans to get quality education, jobs and respectable future. A large number of our children who can't read in any language in Grade 4, and being taught by educators who are unwilling to be subjected to quality control, will never be able to catch up with this massive backlog, even if they should reach matric. Also, our dropout rate is catastrophic.

How can this budget be supported if it is not even enough to maintain the feeble status quo, let alone to fund the turnaround plan to put basic education on a competitive track? The DA does not support this Vote.

Ms P C SAMKA: Hon Chairperson and hon members, the ANC rises in support of the Budget Vote for Basic Education. We support this budget as it ensures that there is a holistic approach to basic education and all the functions that enhance education are

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strategically prioritised throughout the Vote to ensure that they are in line with the ANC resolutions, the National Development Plan, NDP, 2013 and Outcome 1 of the Medium-Term Strategic Framework, MTSF.

It tackles the infrastructure challenges that the sector faces, but more importantly, it provides guidance on how the targets and objectives of the sector will be achieved. It also provides a way forward with regards to teaching and learning by prioritising Early Childhood Development, ECD, learner-teacher support material, quality teachers and learners with disabilities.

Hon Chair, education remains an apex priority to the ANC-led government. It is through this budget that we will ensure a brighter future for our children and our country as a whole. This budget plays a pivotal role in ensuring that all the South Africans are equipped and included in the new dawn as well the Fourth Industrial Revolution. The ANC supports the Budget Vote. Thank you, Chairperson.

Mr M KHAWULA: Chairperson, the IFP is deeply concerned with the state of some of our schools in the country, especially in the rural areas and the townships of South Africa. The condition of the

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schools needs to be improved and this must be given outmost priority by the government. It is thus concerning that at the end of every financial year, the national Department of Basic Education is found to have underspent on programmes like Accelerated Schools Infrastructure Delivery Initiative, Asidi, and infrastructure grant.

Whilst communities are having are having schools with either no toilets or dangerous toilets, the department is found not spending money budgeted for such. Whilst communities are sending their kids to schools which have no libraries, no laboratories, no kitchens, no administration block for management, at the end of the financial year, the Department of Basic Education is found to have not spent money provided for these needs.

Whilst communities are sending their children to schools whose walls are constructed of mud structures, whose roofs were constructed of asbestos which has been ruled to be dangerous to the lives of the people, the department is found to have not spent money budgeted for this purpose. The IFP says this is highly unacceptable. The department must also ensure effective management of the schools.

This will only happen if teachers who are promoted to be principals are the deserving ones, not appointments and promotions based on

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unionism and partisanship. We want to see promotions that are based on capacity and ability in education. Thanks, Chair.

Division demanded:

The Council divided:

[Take in from Minutes.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 15 - Higher Education and Training - put.

Declarations of vote:

Mr C HATTINGH: Hon House Chair, we are on our halfway through the academic year and yet students are still uncertain as to whether they will be given a living allowance next month or if the institutions will be shut down by protests. This has a devastating effect on their academic studies. The National Student Financial Aid Scheme, NSFAS, situation threatens to lead students to give up their studies despite numerous assurances that there will be sufficient funding, which is not forthcoming.

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The tertiary funding disaster caused by the Zuma's popular free education announcement on the eve of ANC's elective conference in December 2017, without any consultation with his Ministers and officials, is resulting in thousands of students being confronted with a wasted academic year as the funding is simply not forthcoming.

The National Student Financial Aid Scheme admitted that more than 120 000 have been affected by a delay in the payment of allowances. Of this number, 83% are university students while 17% are Technical Vocational Education and Training, TVET, students. The funds stated that 12 universities and 11 TVET colleges have been disrupted and face protest action since the beginning of the year, many as a result of NSFAS problems. In an attempt to deal with the situation, the Department of Higher Education and Training has made a number of upfront payments to universities and TVET colleges to help cover the costs in the meantime but neither the colleges nor universities are equipped to pay out gross accurately and to the right students. It is truly a mess.

A department entrusted with a crucial task to ensure that our youth gets access to tertiary education to get quality education, which cannot even get the basics right should not be entrusted with this

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important task unless it can table its turnaround plan. The DA does not support this Vote.

Ms L L ZWANE: House Chairperson, former President, Nelson Mandela, a great son of Africa and a tireless servant of our people once said, "Education is the most powerful weapon which you can use to change the world". We are happy that the Department of Higher Education and Training has headed to the wisdom of President Mandela to use education to transform South Africa and better the lives of our people.

The Department of Higher Education and Training has demonstrated that. As Irina Bokova, the former Director-General of UNESCO, once said, "there are no immovable barriers to education".

The workers of our society who were denied access to education because of their economic status and conditions, today wake up engulfed with a great sense of hope and pride that their lives too are destined change. The Freedom Charter which is a historic document of the people of our country asserts that as the consequence of the victory of the struggle for national liberation, the doors of education and learning shall be open to all.

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Indeed many of our people, including youth, died and sacrificed for the realisation of this objective. They did so because they understood the importance for themselves and all our communities of the right to freedom from ignorance and to break away from the shackles of generational poverty.

Since 1994, the education system in South Africa has undergone significant and extensive restructuring. This is reflected in the new policy and legislative framework that has been established by the ANC-led government. We have also seen major shifts from fragmented education system which was a major characteristic of the education of the apartheid regime.

Hon House Chairperson we have said, as the ANC, in order to deal decisively with the triple challenges of poverty, inequality and unemployment and place South Africa on a better growth path, they should be improvement in access to higher education and training.

The programmes and initiatives outlined by the higher education budget vote clearly demonstrate our commitment to succeed in our efforts to produce an educated and appropriately skilled population. It is this reason that as the ANC we rise unashamedly to support the

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budget vote for the Department of Higher Education and Training.

Thank you.

Division demanded:

The Council divided:

AYES - 30: De Beer, C J; Dikgale, M C; Dlamini L C; Gaehler L B;
Khawula, M; Makue, E R; Mampuru, T K; Mateme, H E; Mlambo, E M;
Modise, T R; Monakedi, M D; Mohai, S J; Moshodi, M L; Motlashuping,
T C; Mthethwa J M; Mthimunye, S G; Ncitha, Z V; Nthebe, B G;
Oliphant, G; Parkies, J P; Prins, E; Rayi, M; Samka, P C; Saziwa, M;
Sefako, O J; Singh, A S; Stock, D; Wana, T; Ximbi, D L; Zwane, L
L.

NOES - 12: Engelbrecht, B; Essack, F; Faber, W F; Hattingh, C;
Josephs, D; Julius J W W; Koni, N P; Labuschagne, C; Magwebu, L V;
Michalakis, G; Mpambo-Sibhukwana, T G; Terblanche, O S.

Vote agreed to (Democratic Alliance and the Economic Freedom
Fighters dissenting).

Vote No 16 - Health - put.

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Declarations of vote:

Ms N P KONI: House Chairperson, healthcare is key to any function in society but the health of our people continues to be inadequate and the healthcare services our people receive continue to decline in quality.

In some provinces, less than half of the ambulances the department has are functional and people are forced to sleep on the floor because a shortage of beds in state hospitals - Northern Cape, Kuruman and Kimberly are an example. In Limpopo, simple task such as removing bullets cannot be carried out at state hospitals forcing people to travel hundreds of kilometres or go to private healthcare providers because state hospitals lack basic equipment.

In the Eastern Cape, the state's mental health facilities are dysfunctional and if the department is not careful it could have another Life Esidimeni on its hands in the province.

In the Northern Cape, the number of TB cases continues to rise. In the Free State there is a continuous shortage of resources and overcrowding. In the Western Cape people wait for hours to be given medical care. In the North West province, the Department of Health were so dysfunctional that people were going without medicine, those

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with HIV and Aids could not get antiretroviral, ARVs, and dead bodies were kept in hospital beds because morgues fridges were broken. This led to army having to be called in to ensure the delivery of medicine and ability of government to provide basic healthcare services with the provincial department eventually being placed under administration by the national government.

This is the sad reality of healthcare in this country and it is why the EFF has taken the principled position of declaring 2018 the year of public healthcare. The collapse of the healthcare system in this country is why we reject the budget vote for the Department of health. Thank you House Chair.

Mr M KHAWULA: House Chair, problem number one in South Africa today is health. It is a pity that the powers that be in the Department of Health are still in a state of denial. This will not help anyone in the country; they cannot keep on denying that healthcare is crumbling, people die irresponsibly at the hands of our health facilities in the Country because of lack of proper attention. It has happened in Life Esidimeni, in our hospitals and clinics.

They cannot keep on denying that our health personnel in the facilities are under stress because of under staffing, that

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qualifying health professionals remain unemployed at home when health facilities are experiencing such enormous shortages in the country.

It is time that the President of the country shows leadership and intervenes in our healthcare in the country. This department must begin to learn to prioritise in accordance with the needs of today; why build more white elephant facilities when current ones are crumbling? Why put more money on unused facilities when doctors and nurses need to be employed to improve the service? When ambulances services need to be improved; when oncology machines are decaying; when dentist services in public hospitals need to be modernised and improved. The priorities of the department must be properly channelled. I thank you House Chair.

Ms L C DLAMINI: Hon House Chair, it is heartbreaking to note that if it was the DA and the EFF in government today, our health facilities would be closed today, even those who are living on oxygen will definitely die today. The ANC-led government inherited a society with massive disparities in access to healthcare services.

In terms of section 27 of the Constitution of South Africa, every person has the right to have access to healthcare services and the

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state is responsible for creating the framework within which health is promoted and healthcare is delivered. It is also a major provider of health services and single comprehensive equitable and integrated national health system must therefore be created and legislated for. As the ANC, we acknowledge that we have inherited enormous health problems from the past. It is for this reason that the ANC-led government continues to work tirelessly to address the many complex causes whose solution demands an intersectoral approach to enable government to ensure universal health access to good, quality and affordable healthcare services to all South Africans. Government is moving with greater urgency to introduce National Health Insurance whose broad objective is to enable the creation of an efficient, equitable and sustainable health system in South Africa based on the principles of the right to health, social solidarity and universal coverage.

House Chairperson, in conclusion, I call upon all political parties and other role players to join hands and support the department in its effort to transform the health sector and to improve healthcare delivery in South Africa in order to ensure that all South Africans have access to health quality and healthcare services that are equitable and sustainable and adequate. We will always stand with our people as the ANC, we therefore support this budget.

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Mr L B GAHLER: House Chairperson, it does not help us agreeing to everything. I have witnessed first hand what happens in our hospitals. On Sunday, I went to the Nelson Mandela hospital, named after our icon, where I visited a certain Mr Mbana. It is bad. First of all, his relatives had to go change him and feed him because there are not enough nurses. In interacting with the staff there, they even have to borrow medication from other clinics. About two months back, a young man died in the Mthatha General hospital, he is not the only one. That hospital is known as the hospital of death because if you go there you get there and die because there is no care. That is the truth of the matter whether we like it or not.

Madwaleni hospital in Elliotdale, there is a shortage of mobile clinics and medication. The truth of the matter is that healthcare at provincial level is dysfunctional. Our people are dying because of poor services. That is the truth of the matter. We cannot mislead our selves here. There is a problem with the healthcare. Yes, we agree that we inherited the healthcare in a bad state but after 25 years we cannot allow a situation where our people don't get proper services.

I support the budget but I request the Minister of Health to go and visit hospitals and not to be misled by provinces. I thank you.

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Division demanded:

The Council divided:

AYES - 30: De Beer, C J; Dikgale, M C; Dlamini, L C; Gaehler, L B; Khawula, M; Makue, E R; Mampuru, T K; Mateme, H E; Mlambo, E M; Modise, T R; Monakedi, M D; Mohai, S J; Moshodi, M L; Motlashuping, T C; Mthethwa, J M; Mthimunye, S G; Ncitha, Z V; Nthebe, B G; Oliphant, G; Parkies, J P; Prins, E; Rayi, M; Samka, P C; Saziwa, M; Sefako, O J; Singh, A S; Stock, D; Wana, T; Ximbi, D L; Zwane L L.

NOES - 12: Engelbrecht, B; Essack, F; Faber, W F; Hattingh, C; Josephs, D; Julius, J W W; Koni, N P; Labuschagne, C; Magwebu, L V; Mathevula, B T; Michalakis, G; Mpambo-Sibhukwana, T G; Terblanche, O S.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 17 - Social Development - put and agreed to.

Declarations of vote:

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Ms T G MPAMBO-SIBHUKWANA: Thank you, hon Chairperson, for this opportunity, this Budget Vote is evident of inefficiency and general mismanagement of funds by the Department of Social Development, not only was the SA Social Security Agency, Sassa, cash payment process cancelled, but it also came to light that there has been a failure in accounting for R1,3 billion that vanished under irregular expenses. The DA has been very outspoken in bringing attention to this crisis in Social Development under the leadership of the previous Minister Bathabile Dlamini. Evidently, our plea and warnings with the ruling party had fallen upon deaf ears and now we found ourselves at the stage where the unnecessary wastage of taxpayers' money which results in equity to the most vulnerable members of our society.

Hon Chairperson, if the ANC really followed on their promises of being a party for the people, they would have implemented consequences of the continuous failures of the previous leadership. Secondly, they would not have rejected the DA's proposal to increase the child support grant - something that to date we feel is necessary. Instead, the ruling party felt it was necessary to prioritise R482 000 on flooring, R487 000 on décor and chairs, R485 000 on the marquee and R493 000 on transport and the generous

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R480 000 on gifts and décor. Almost all these expenses could have been better channelled into the child support grant.

The department is currently experiencing a shortage of social workers despite the fact that the country has thousands of unemployed graduates sitting at home with the required skills and qualifications needed to make the difference in the current state of social affairs. [Interjections.] So, not only there is a crisis with those clearly unemployed, but these seem to be few incentives for the department to better its situation and that of the people it obliged to help. The DA does not support this vote.

Ms L C DLAMINI: Hon Chair, I ask a question to those who object to this budget: How does your objection assist those people who need support from the Social Services department? For whatever reason as the ANC, we cannot afford to reject the budget that will benefit the less privileged. Therefore, we support this budget. As the ANC, we rise in support of the Social Development Budget Vote. It is the purpose of this vote to ensure the protection of the vulnerable by creating an enabling environment for the provision of a comprehensive integrated and sustainable Social Development Services. Although we are currently facing economic challenges as a country and the department has faced its own internal challenges,

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the ANC-led government has ensured the consistent payment of social grant to 17,4 million beneficiaries. This very same budget allows us to reduce the cost of living for our people through the free basic service programmes, that are currently supporting more than 3,5 million indigent households. This budget will help in increasing the number of social workers in our communities and it will enhance early childhood development, ECD, centres and their services. The ANC supports this vote as it serves as a means to deepening social assistance and expanding access to social security to those who cannot afford whom we represent. Those who don't care about them, they will reject, but as the ANC, we support.

Division demanded.

The Council divided.

AYES - 30: De Beer, C J; Dikgale, M C; Dlamini, L C; Gaehler, L B; Khawula, M; Makue, E R; Mampuru, T K; Mateme, H E; Mlambo, E M; Modise, T R; Monakedi, M D; Mohai, S J; Moshodi, M L; Motlashuping, T C; Mthethwa, J M; Mthimunye, S G; Ncitha, Z V; Nthebe, B G; Oliphant, G; Parkies, J P; Prins, E; Rayi, M; Samka, P C; Saziwa, M; Sefako, O J; Singh, A S; Stock, D; Wana, T; Ximbi, D L; Zwane L L.

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NOES - 12: Engelbrecht, B; Essack, F; Faber, W F; Hattingh, C; Josephs, D; Julius, J W W; Koni, N P; Labuschagne, C; Magwebu, L V; Michalakis, G; Mpambo-Sibhukwana, T G; Terblanche, O S.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting)

Vote No 18 - Correctional Services - put and agreed to.

Division demanded.

The Council divided:

AYES - 30: De Beer, C J; Dikgale, M C; Dlamini, L C; Gaehler, L B; Khawula, M; Makue, E R; Mampuru, T K; Mateme, H E; Mlambo, E M; Modise, T R; Monakedi, M D; Mohai, S J; Moshodi, M L; Motlashuping, T C; Mthethwa, J M; Mthimunye, S G; Ncitha, Z V; Nthebe, B G; Oliphant, G; Parkies, J P; Prins, E; Rayi, M; Samka, P C; Saziwa, M; Sefako, O J; Singh, A S; Stock, D; Wana, T; Ximbi, D L; Zwane L L.

NOES - 12: Engelbrecht, B; Essack, F; Faber, W F; Hattingh, C; Josephs, D; Julius, J W W; Koni, N P; Labuschagne, C; Magwebu, L V; Michalakis, G; Mpambo-Sibhukwana, T G; Terblanche, O S.

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Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting)

Vote No 19 - Defence and Military Veterans - put.

Declarations of vote:

Mr G MICHALAKIS (DA): House Chairperson, it is strange that the ANC decides to declare after the DA has declared, but that as it may [Interjections.] we have been sitting with the defence review document on our desks for the last four years ...

The HOUSE CHAIRPERSON (Mr A J NYAMBI): Hon members, let's have order and allow hon Michalakis to make his declaration.

Mr G MICHALAKIS: Thank you House Chairperson, I must have touched the nerve over there. We have been sitting on our desks with defence review document for at least the last four years since it has been adopted. Absolutely nothing has happened in that regard simply because this department has been under funded for so many years. The department has spoken apparently, according to them, with Treasury on this matter but still, there is no interest from Treasury to fund this department properly.

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We send young South Africans to the Democratic Republic of Congo only to ill-equip them to do their jobs properly. We are literally sending them to their deaths.

Chairperson, we also spend more on VIP flights than on anything else in this department. Not us, but the ANC-led government. It has just come to prove again that for this ANC-led government it is more important to protect and transport ANC politicians than to defend our country.

Finally, it is shocking how silent this department is on the capabilities of our defence force in terms of cyber defence because there is absolutely nothing going on there. It is a developing and very important sector or component of the defence of our country and this government has completely and utterly failed to develop that sector and to give the necessary support to those who can develop this.

Chairperson, we therefore cannot support this Budget Vote and the ANC-led government clearly does not have the defence of our country at heart. Thank you.

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Mr E M MLAMBO: House Chair, pardon me, I've got a little bit of flu bug. It is disturbing when a member of the Joint Standing Committee stand up and mislead the House because two weeks ago, we have called upon the Minister of Defence and Military Veterans to come and account. It was per request by members of the opposition who sit in that committee. The Minister came to account on a number of crucial issues. The other disturbing thing is that the hon member is also misleading the society by saying that there is nothing happening. I will say as the ANC we support this Budget Vote. He was there in Democratic Republic of Congo, DRC, and saw what was happening.

In the committee they have agreed as the opposition to say that it is true that the budget of the defence force is being reduced yearly. Hon Marais from the National Assembly addressed the soldiers who are deployed in the DRC. He promised those soldiers that we will assist in fighting for more funding for this department. So, it is so shocking that hon Michalakis will come to this House and say what he said today. I take it as disingenuous and political point scoring. As the ANC we support our men and women in uniform. Thank you very much. [Applause.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

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Vote No 20 - Independent Police Investigative Directorate - put.

Declarations of vote:

Mr G MICHALAKIS (DA): House Chairperson, it was earlier said by the hon De Beer that the budget of Police is the second largest budget of all Budget Votes. However, the Independent Police Investigative Directorate, Ipid, is grossly underfunded. There are currently 10 top Generals being investigated by Ipid and the top structures of the police force are in other words, as we all know, so corrupt that the public cannot trust them. It is actually one of the reasons why the trust between the SA Police Service, SAPS, and the public has deteriorated to an extent where SAPS is incapable of policing our country.

The exact body that is tasked with actually ridding SAPS from all the corrupt police members is under funded. Why - because criminal activities and corruption is the order of the day within the ANC and the ANC-run SAPS.

We cannot support that such a budget is so grossly underfunded; however, we do support the work of Ipid in way they make every effort in ridding the police from the corruption that it has resorted to under the ANC-led government. Thank you

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Ms G G OLIPHANT (ANC): Chair, I like the Television, TV, because when I am on TV I will say how the ANC is corrupt and how the police are corrupt . . .

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members order! Hon Oliphant, you are protected.

Ms G G OLIPHANT: Chair, the Minister of Police is staying in the Western Cape. Let me say that last week he was here and this week he was here. There are more crimes in the Western Cape than any other province. When they say this province is not our province, because I am on TV I will try and mislead the people of South Africa.

The Minister of Police ... [jy sal my nie se jy] hon Bheki Cele, who has taken the boat and decisive national duty of wedging war and fearless battle against criminals and criminality in the police that he tabled for 2018-19 Annual Performance Plan of the Independent Police Investigative Directorate in Parliament on 20 March 2018.

The Independent Police Investigative Directorate also made the technical indicator scripts available which provide significant insight into the purpose of performing indicators in its financial spending and programmes. The Annual Performance Plan, APP, contains

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several changes to the performance indicators of the Directorate, mostly notable in revision and reduction in targets for the courts service delivery programme, especially on investigation and information management. In line with the ANC's commitment to fight crime, especially corruption, fraud and bribery in the police service, the Minister of Police, hon Bheki Cele, reiterate the support for the functional and operational independence of the Directorate as the oversight mechanism to keep criminality within the ranks of SAPS in check.

The Minister further indicated that the Ipid should continue putting strategies and plans in place to ensure better service delivery to communities, especially in dealing decisively with all forms of transgression by members of the police service.

As the ANC we welcome the fact that the Directorate has prioritised R1,2 million in 2018-19 towards finalising the review of the Ipid at 2011. These funds would be spent cost associated with stakeholders and public consultation. The Directorate further indicated ... [Time Expired.]

Vote agreed to.

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Division demanded

The Council divided

VOTING

[Take in from Minutes]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote 22: Office of the Chief Justice and Judicial Administration

Vote 21: Justice and Constitutional Development

VOTE 22: OFFICE OF THE CHIEF JUSTICE AND JUDICIAL ADMINISTRATION -
put and agreed to

Declarations of vote:

Mr G MICHALAKIS: Hon House Chairperson, hon Oliphant will hopefully have the chance to complete her statement of earlier, I hope. As I said earlier ... hon de Beer said it, this is the second largest budget vote in his presentation of the Bill. However, one can ask

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then, with all the money that the police receive what is it that this ANC government does with that money that they receive?

It is worrying that year after year after year the ANC boast that crime goes off: petty crime, simple crime; but they keep quiet every single time on the fact that serious crime: rape, murder and house breaking increases year on year on year.

Chairperson, hon Oliphant earlier said that the Western Cape is the most dangerous province in this country. And the public need to ask themselves "why this is?" It is the most underresourced proportionally and underfunded proportionally province of all SA Police Service, SAPS, units in this entire country. Who is in charge of SAPS? Not the provincial government, it was the DA's suggestion to give more power to the provinces because our provincial government in the Western Cape actually wants to do something about crime in this province. But police is in the hands of the national ANC government and as long as the ANC is in charge of police in this country crime in the Western Cape and in the rest of the country will not go down.

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If the public wants to do something about crime, the opportunity is at the ballot box in the elections to vote out the ANC and to vote in a party that will do something about crime. Thank you.

Mr S G MTHIMUNYE: House Chair, once more the DA has proven how untrustworthy they are. Every year when crime statistics are released, they are released across the board there's no exception. So, it is a blatant lie to say certain categories of crime are not published, in terms of statistics. Therefore, it is in the DNA of the DA to lie.

Chairperson, the Appropriation for the Department of Police this year is plus R9 billion. It is the second largest appropriation and where we stand as the ANC it's a demonstration of the ANC's commitment to fight crime and eradicate crime in its totality.

Under difficult conditions police have demonstrated their commitment to fighting crime. Some paid with the ultimate price with their lives in their fight against crime; and in this big scheme of events also some members of the community lost their lives in the hands of criminals. May their souls rest in peace.

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As the ANC we support this budget because we have seen with our naked eye the demonstration of the political leader of this department in commitment to fight crime. I thank you, Chair.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

VOTE 24: AGRICULTURE, FORESTRY AND FISHERIES - put

Division demanded

The Council divided

VOTING

[Take in from Minutes]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 25 - Economic Development /KG\ END OF TAKE

Vote No 25 - Economic Development - put.

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Declaration(s) of vote:

Mr L V MAGWEBU: Enkosi Sihlalo, ndiyabulela. Hon Chairperson, despite calls from business community and wider civil society for good leadership to be appointed in government to address South Africa's struggling economy and contribute to real socioeconomic growth some current and recent leaders in the ANC who are alleged to be corrupt as evidenced by imminent state capture have plummeted the country's economy to junk status.

This has caused South Africa to become unattractive to investors, and thus poverty and unemployment has grown and we are now having more than 9 million unemployed South Africans. Shame on you, ANC!

The World Bank has indicated that we need skills revolution to spare economic growth through technologies, but then again, the ANC has been found wanting as an inhibitor of economic growth due to some of its policies and regulations.

Chairperson, our education programmes need to provide our learners with skills that the job market desires, and yet our graduates are currently sitting at home unemployed, again: Shame on you, ANC!

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Chairperson the South Africa needs a total change and the DA is the total change South Africans want. We are the only party for all South Africans. We are diverse, we are dynamic and we have a plan to grow South Africa's economy to, at least, 8%.

The DA believes that South Africa's economic growth agenda must be aimed at strengthening the competence and capabilities of local government to drive the economic growth and job creation. In order to foster job creation the DA will introduce an overtly pro-small business policy approach to make sure that businesses grow and we would remove blockages. We must reduce the number of government departments so that we can combat the high levels of poverty and unemployment. Chairperson, the DA does not support Vote 25 Economic Development

Mr M RAYI: Thank you, hon House Chairperson. The economic development budget vote allocates a sizable portion to the competition commission to address anticompetitive behaviour in the market. The transfer of funds to Tirisano Trust will ensure financing for transformation, support for black artisans and engineers, small builders and infrastructure.

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The budget also allocates funds through Certified International Financial Accountant, Cifa, to make loans available to small and micro enterprises. The trade and administration commission will continue with trade investigation and system for import and export controls.

Contrary to the monetarist view from the opposition regarding the relevance of this department, let us reflect on the following: a successful work done by the competition authorities on anticompetitive behaviour through cartels whose members are the DA and collusion. The antidumping investigation and tariff imposition of hi-tech to protect domestic industries; the provision of industrialisation financed by the IDC, all communicate the critical role played by the economic department in our economy. The ANC supports the budget vote. I thank you.

Mr M KHAWULA: Chairperson, just for the record, the IFP still maintains that there is no need for the continued separation of the three departments: economic development, trade and industry, and small business development. These departments need to be consumed into one department so that the country saves money. It was assumed that this was a President Zuma's doing but we have noticed that even under President Ramaphosa this issue of cadre deployment by

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splitting departments so that he can give jobs to pals is also still continuing. So, for the record, the IFP says these three departments are a waste when separated. They will save a lot of money when put together and they will be focused to what they are doing. Thank you.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

The HOUSE CHAIRPERSON (Mr A J Nyambi): Thank you. Any call for a division? No. Hon members, hon members, we will suspend the sitting proceedings and we resume at 14:00

BUSINESS SUSPENDED AT 12:54 AND RESUMED AT 14:00

Vote No 26 - Energy - put.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 27 - Environmental Affairs - put.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

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Vote No 28 - Labour - put.

Declarations of vote:

Mr L V MAGWEBU: Hon Chairperson, the entities that support the Department of Labour are crucial, but let me hasten to say that the Commission for Conciliation, Mediation and Arbitration, the CCMA, is in good hands. It is doing very well. Also, the National Economic Development and Labour Council, Nedlac, and the Labour Council had unqualified audit reports.

However, the Compensation Fund remains in a shambles, and it is with dismay that we have learnt from the report of 7 November that the fund only managed to achieve 50% of all its planned targets for the 2016-17 financial year. The approval of the fund's annual audit plan was delayed. It wasn't able to meet its target of having an investment portfolio return of 8,28%, and it was unable to achieve its planned target of maintaining its vacancy rate of 10,3%.

The mandate of the Labour department is to regulate the labour market through policies and programmes developed in consultation with its social partners. Even if all our labour laws and policies could be said to be progressive, but if enforcement is very weak, then what is the point then? The Department of Labour seriously sits

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with the same problem year in and year out: a shortage of human resources to conduct inspections in terms of the enforcement of our labour laws and policies. This undermines the department's very mandate, often leading to strikes which could have been averted had the department had the necessary capacity.

The failure to enforce labour policy compliance has dire and deadly consequences. According to the International Labour Organisation's report, a worker dies every 15 seconds globally owing to a work-related accident or disease.

Until these things are corrected by the Department of Labour and until the Department of Labour gets its act together and beefs up its capacity and exercises fiscal discipline, we will not support this Budget Vote. I thank you.

Mr M RAYI: [Inaudible.] It is always coincidental that when we deal with the Department of Labour, the gentleman here ...

[Interjections.] ... is always around. Last time, when we debated the Department of Labour, I urged him then to educate the hon Magwebu on labour matters. The Department of Labour has nothing to do with strikes. Strikes are regulated with the CCMA. So, if there is a dispute ... of strike ... that strike goes to the CCMA. It has

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nothing to do with the Department of Labour. [Interjections.] He talks about the Department of Labour, so I just wanted to educate him. But last time I urged you - maybe you didn't do the work properly.

The South African labour market is still characterised by high levels of inequality, unemployment and poverty. The ANC's most effective weapon in the fight against these levels is the creation of decent work, and this requires faster economic growth.

The 52nd ANC national conference in Polokwane in 2007 emphasised its forecast on economic transformation, and on making the creation of decent work opportunities the primary focus of economic policy. A major achievement during the 2014-19 Medium-Term Strategic Framework period was the promulgation of the amendments to the Labour Relations Act, the Basic Conditions of Employment Act, the Employment Equity Act and the Unemployment Insurance Act. Together these amendments are intended to give further protection to vulnerable workers, especially those in temporary work arrangements in order to promote greater equity in the labour market and especially to promote equal treatment.

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The introduction of the national minimum wage by government is aimed at increasing the earnings of the most vulnerable workers and will, at the same time, reduce the staggering inequalities in our country and restore worker rights. I know that in the National Assembly the DA opposed this particular Bill, because they still want workers to earn slave wages. [Interjections.] The ANC will continue to promote decent work in ensuring that vulnerable workers are protected. The ANC supports this Budget Vote. Thank you. [Applause.]

Division demanded:

The Council divided:

[TAKE IN FROM MINUTES.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 29 – Mineral Resources – put.

Declarations of vote:

Ms C LABUSCHAGNE: Hon Chair, the mining industry has been hampered by legislative insecurity for almost 10 years. The mining, gas and

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oil industries are on a roller-coaster ride between various mining charters and the amendments of the Mineral and Petroleum Resources Development Amendment Bill. This is all due to political differences within the governing party.

Although a process is currently under way, it doesn't take into consideration, this time around, the needs of junior miners that will have an effect on the future of the mining industry. None of this contributes to investment and trust in the mining industry. Job losses and an ageing workforce with limited reskilling opportunities do not contribute to a healthy industry.

The department's limited capacity to do the required inspections and the current alarm about occupational health and safety in deep mines in South Africa are further factors of deep concern that need quick and decisive solutions. The DA does not support the Budget Vote of Mineral Resources.

Mr O J SEFAKO: Hon Chair, the ANC supports, outright, this Budget Vote. The Mineral Resources Budget Vote is anchored in the vision of the National Development Plan in which mining plays a key role in the transformation of the South African economy, contributing to growth and sustainable development by 2030.

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While the Minister acknowledges that the allocation to the department is inadequate to fulfil its mandate, we believe and trust that the funding of its programmes will serve to maximise the impact of the available resources. The department's records of efficiency and accountability place it in a strong position to install and maintain stability in the industry through ensuring policy and regulatory certainty, reliability and predictability.

The dialogue with all stakeholders in the industry to resolve disputes, most notably on the Mining Charter, should lead to greater stability and a positive climate of investment.

By improving the systems of issuing of mining and prospecting rights and tackling historical backlogs in areas, such as housing, health and safety, the department is responding to the most pressing needs of the economy and the people of Africa, especially the landless and previously marginalised and exploited. It is indeed ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Sefako, I am afraid your time has expired.

Mr O J SEFAKO: The ANC supports ... [Inaudible.] Thank you.

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Ms N P KONI: Chairperson, the mining industry in South Africa has been at the centre of the exploitation of our people, the dispossession of land and the oppression of our people for the past 100 years. It has pursued profit at the expense of our environment, the development of our country and people, and, most importantly, black lives. I was there throughout, hon Dlamini. I might look young but I am very old.

After democracy, many thought this would change and that the mining industry could be used as a tool to uplift our people and develop our country, but 24 years later the same pattern of exploitation that existed 50 years ago continues until today.

The total disregard for black life is still seen today where mine workers continue to be seen as nothing more than cheap, expendable labour that can be easily replaced. That is why, in 2018, 45 miners have lost their lives while at work, and 20 miners having lost their lives at Sibanye-Stillwater alone.

All the mining companies continue to see massive profits as they illegally transfer billions of rand and goods out of the country, avoiding tax. That is why the mining industry in South Africa, despite being extremely large and there being a large number of

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mineral resources, contributes less than R20 billion in taxes annually, just over 1% of our budget. These illicit financial flows are motivated by the same reason why black lives continue to be lost in our mines: It is greed.

The mining industry in South Africa is not interested in the welfare of our people, and it is not interested in the development of our country and our economy. It is only motivated by the narrow pursuit of profit. It is obvious that this government and this department have nothing with which to transform the mining industry so that it serves the best interests of our country and our people. Instead, it allows mining companies to loot our resources, exploit our people and kill them. This is why we reject the Budget Vote of the Department of Mineral Resources. I thank you, Chair.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 30 - Science and Technology - put.

Vote agreed to (Economic Freedom Fighters dissenting).

Vote No 31 - Small Business Development - put.

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Division demanded:

The Council divided:

[TAKE IN FROM MINUTES.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 32 - Telecommunications and Postal Services - put.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 33 - Tourism - put.

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 34 - Trade and Industry - put.

Declarations of vote:

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Mr L V MAGWEBU: Hon Chairperson, what our economy really needs is the deep and possibly painful structural reforms that are required in order for us to see the sustained and long-term economic growth, growth that creates jobs. Anything that does not fit in this paradigm simply will not do and it is where Minister Davies and trade and industry fail continually instead of being the sharp blade that cuts the red tape, and make broad economic employment a reality, rid South Africa of state-sponsored monopolies and produces legislation that instils investor confidence, they fail South Africans.

Chairperson, it is no wonder that business confidence has fallen to the third month in a row since President Ramaphosa's election because business can see a wounded buffalo through smoke of the North West province.

In the reports published by the World Bank and the International Monetary Forum in recent weeks, we have seen how South Africa has literally dropped off the investment map. A collection of international survey indicates how South Africa has dropped from the 26th highest ranked country in the World Economic Forum, WEF, global ranking to a whooping 61st in 2017. The Independent Mineral Distributors, IMD, global rankings has South Africa dropping to 53rd

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from the 37th out of 63 countries. This is the sad story under the ANC government. Shame on you ANC! Shame on you!

[Interjections.]

Hon Chairperson, since 2016 we have seen the creation of the state-sponsored and protected monopoly in the primary steel sector called ArcelorMittal. This company has received protection from the state by increasing duties for imported steel products which they produce. In return, they were not to increase pricing without agreements with the department. This has had adverse effects for component manufacturers stating to import products from overseas instead of manufacturing them. This absurd obsession of protecting one company ahead of hundreds of others is having a devastating effect on our economy and jobs.

Hon Chairperson, the recently published quotes of comment ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Magwebu, sorry. Hon Koni.

Ms N P KONI: Hon Chairperson, I rise on a point of order. My point of order is: I heard the hon Magwebu mentioning the monopoly capital

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and I just want to ascertain with him if he understands what he is talking about?

The HOUSE CHAIRPERSON (Mr A J Nyambi): No, hon Koni. You are out of order. [Laughter.] Hon Magwebu, you are protected. Can you continue?

Mr L V MAGWEBU: Hon Chairperson, under Minister Davies we continue to see the slide of Broad-Based Black Economic Empowerment towards a system purely focused on ownership and control for a few over one that brings about the real creation of jobs for the 9,5 million unemployed South Africans. These are the failures of the ANC. We would not support this Budget Vote. Thank you. [Applause.]

Mr E MAKUE: Chairperson, the Department of Trade and Industry happens to be one of the best functioning departments of this democratic government. The Industrial Policy Action Plan set out division for all the work that has subsequently been carried out to secure manufacturing led growth and industrialisation in our domestic economy.

The budget allocation before us will advance the DTI Black Industrialist programme and that is the main reason for the DA's opposition, it is the black industrialists. It will also enhance

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inclusive economic growth and create decent jobs not just jobs for a few people. The DTI also continues to further secure investment building industrial and export capabilities through Special Economic Zones. This year, the department has designated two Special Economic Zones, SEZs, in Nkomazi, Mpumalanga and Atlantis in the Western Cape. With this budget we will also be able to allocate more designated SEZs.

Furthermore, the department will ensure a completion of the National Credit Amendment Bill and the Copyright Amendment Bill which are before this Parliament and will provide industrial protection for vulnerable people in our society.

The 13 entities in the DTI have proven records of sterling performance and delivery on their important mandates. Therefore, the ANC supports this budget. [Applause.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 35 - Transport - put.

Division demanded:

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The Council divided:

[TAKE IN FROM MINUTES.]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 36 - Water and Sanitation - put

Division demanded:

The Council divided:

Voting [TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 37 - Arts and Culture - put.

Division demanded:

The Council divided:

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VOTING [TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 38 - Human Settlements - put.

Division demanded:

The Council divided:

VOTING [TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Vote No 39 - Rural Development and Land Reform - put.

Declaration(s) of Vote:

Mr M KHAWULA: For the IFP, the issues of land are very important. The struggle for liberation was amongst other things about land. We realise that in 24 years of our democracy, the ANC government have failed the people of South Africa on the issue of land, especially

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the black people who were dispossessed of their land by the colonial practices. We are mindful of the current agenda of land expropriation subject in the country. We are carefully following and considering these developments.

Before the dawn of democracy in 27 April 1994 in our country, the erstwhile KwaZulu government passed the Ingonyama Trust Act No 3 of 1994 which was amended as KwaZulu Ingonyama Trust Amendment Act, No 9 of 1997. The Act put all the land under the jurisdiction of Amakhosi and Ingonyama yamaZulu in KwaZulu under Ingonyama Trust. This is communal land under the jurisdiction of Amakhosi and the King. When colonial wars were fought by Amakhosi of South Africa and their people, it was to protect this communal land from the colonisers.

In the IFP, we maintain that the Ingonyama Trust land is land that it is already in the hands of its rightful owners through the Ingonyama Trust Act. If land expropriation will mean tampering with the Ingonyama Trust Act, we will regard this as a reversal of the gains that the people of KwaZulu already have on the issues of land and this will be a very sad day.

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We agree that the issues of land reform must be speeded up so as to give recognition to the previously disadvantaged majority of our country. We make this call to government that the focus to land redistribution must be about the vast tracts of land that was wrongly dispossessed from the black people. Stay away from Ingonyama Trust land. I thank you, Chair.

Setswana:

Moh N P KONI: Modulasetulo, ke kopa fela go lemosa gore, goreng re sa amogele tekanyetsokabo e, le gore bangwe ba seke ba tswa mo gompiano ba ya go ...

English:

... mislead the masses outside. In 1994 when the ANC government came into power, they said that they would have transferred 30% of all land back into the hands of South Africans by 1999. This was intended to reverse the centuries of disposition which resulted in black South Africans being restricted to first 7% and then 13% of all land in the country, while the rest was allocated to whites. Twenty four years later and the government have barely transferred 9% let alone 30%. This clearly shows the failure of the ANC government and its failed land reform policy.

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The failure of their approach is both a principled failure and a practical failure. It is a principled failure because the current legislation sees moral equivalence between the dispossessed and the disposer and it expect black South Africans represented by government to buy back the land that was taken from them illegally through the barrel of a gun and with violence by white South Africans.

There has been a practical failure because the idea that government should buy back the land at market price does not make any financial sense as we have seen sabotages and it slows the entire process of land reform down. The only way land can be redistributed fairly and equally, is if section 25 of the Constitution is amended and land is expropriated without compensation for equal redistribution to its rightful owners. From there it should be placed under the custodianship of the state for equitable redistribution, prioritising black South Africans particularly women. Only once this is done, we will see the return of the land to our people and the dignity and justice it will bring to them.

The department has failed in its land reform policy and in reality, serves no purpose unless government can expropriate land without

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compensation. Until that time, we will continue to reject Budget Votes like this one. Thank you, Chair.

Mr A S SINGH: Chairperson, money appropriate for this Bill focuses on the country's plan and interventions to address the marginalised and deprivation of the poor especially those living in rural areas. The Vote align itself to the theory of socio economic transformation by funding programmes that will bring about fundamental shift in the existing order of an agrarian relations.

The pattern of ownership power and production in favour of the poor and marginalized groups, the Vote funds the strategy of agrarian transformation comprehensively in regaining land reform and rural development, transforming the rural economy meeting basic human needs, supporting rural enterprise development, development village, agro industry and linking beneficiaries to the value chain of markets. This Vote supports environment in land tender, it supports the NDP which puts emphasis on developments of integrated rural areas.

This Vote is about a single issue and the EFF wants us to mechanically believe that it's about distorted, misinterpreted fear that the DA has on property rights which is not the position of the

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governing party. This Vote will benefit all those in rural areas from a Comprehensive Rural Development Strategy that is its funds. This Vote is supported by the ANC. Thank you.

Mr J W W JULIUS: Chairperson, just to respond to the ANC, hon Singh, you do not have a plan. The ANC - you do not have a plan. You said you will change the Constitution, then you said you no we can't the Constitution. Then we must think about agriculture and then you said you will take people's houses, the land and the houses that are built on. You don't know what you are talking about.

[Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Sorry, hon Julius. Hon members we can't be drowning him. Hon Julius, you are protected. You can continue.

Mr J W W JULIUS: Thank you, but the budget of this department has been shrinking year on year. In fact, the ANC government is spending more money on VIP protection services than it spends on land reform. How serious are you? It is an absolute disgrace and totally unacceptable. The deadlock that has been created by the ANC government in terms of the land claims for 24 years created this impatience in the country. And, I think the EFF is jumping on the

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band wagon now because it's the impatience created by the ANC all these years.

Now you want to change the Constitution. You had 24 years to do it with the Constitution. What did you do? You took land for yourselves. The President has lots of farms. He must first give his farms. All the fat cats of the ANC, we want your farms and we return it to people and we will see what you will do. This is nothing - nothing but a fuss because the aim of the ANC will not go through it. You want Votes and now you changing and say you will change the Constitution to give people land. [Interjections.]

Ms N P KONI: On a point of order Chair. The hon Julius is debating something that Parliament has already agreed on. So, he must just make peace with the fact that whether he likes it or not, section 25 ... [Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): You are not recognised. You are out of order. Take your seat. Continue hon Julius. Hon Julius, are you done? [Interjections.]

Mr J W W JULIUS: Hon Koni, you will never get my land. I will take yours and sell it to the highest bidder. [Interjections.]

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Chairperson, people in our communities are waiting for land in terms of land restitution. Communities were told that we will pay you out. Some of our own people got old now - elderly people. Others have died already. Others are still waiting for compensation out there because of these failures by the ANC. This desperate effort by the ANC to remain relevant, ... [Interjections.] I think you like being in quicksand with the EFF. The more you wiggle - the deeper you will sink. People see right through you. The DA cannot support this Budget Vote. I thank you. [Applause.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, I now put Vote 40 - Sports and Recreations, any objections? We note the objections of the DA; declarations? No! No! Let me correct it. It was supposed to be Vote 39 not Vote 40. It is Vote 39 - Human Settlement. Vote 39 is Human Settlement. [Interjections.] We are now in Vote 40. [Laughter.] Hon members! Hon Koni, take your seat.

Ms N P KONI: Chairperson, I understand that you get used. The Vote that we were dealing with - Vote 39, we become very emotional all of us. So you are forgiven for the confusion.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Thank you. No, I made a mistake. We now come to Vote 40 - any objections? [Interjections.]

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Vote 39 - division? Okay there is a division for Vote 39, now let's vote.

Division demanded:

The Council divided:

Voting [TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Mr G MICHALAKIS: House Chairperson, just on a point of order. That's why I said earlier to the Chairperson of the council that it's very confusing when we have a visible division and members who vote against sits with the members that votes for. I am not quite sure where hon Koni voted because she did not put up her hand at the "for" and; she did not put up her hand for the "against". So, she must be reflected as abstaining. So, can I can just get clarity as to where she is reflected because, as far as I have seen she abstained. [Interjections.] But I can understand if your principles are so flimsy that you actually don't want to vote on them.

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The HOUSE CHAIRPERSON (Mr A J Nyambi): Take your seat - can you take your seat. Hon Michalkis! Order members! That was not a point of order from hon Machalikis. I now put Vote 40 - any objections? Sorry, before we deal with Vote 40 - hon Khawula.

Mr M KHAWULA: On a point of order Chair. You see when hon Koni was sitting next to me she was orderly. [Laughter.] Now, she is sitting with hon Motlashuping, there is chaos. [Laughter.]

Vote No 40 - Sport and Recreation South Africa - put.

Division demanded:

The Council divided:

Voting [TAKE IN FROM MINUTES]

Vote agreed to (Democratic Alliance and the Economic Freedom Fighters dissenting).

Consideration of Votes concluded

Schedule put and agreed to.

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CONSIDERATION OF APPROPRIATION BILL AND REPORT OF THE SELECT
COMMITTEE ON APPROPRIATIONS THEREON

There was no debate.

Declarations of vote:

Mr O S TERBLANCHE: Chairperson, section 214(1) of the Constitution of the Republic of South Africa, 1996, requires an Act of Parliament to provide for the equitable division of revenue raised nationally amongst the national, provincial and local spheres of government. The purpose of this division, obviously, is to cater financially for all responsibilities at these different levels of government and to enhance prosperity and safety for all throughout our beautiful land.

The Bill, up to where we are today was, once again, bulldozed through its various phases by the ANC-led government. The DA finds itself, yet again, in the same dilemma, due to the fact that available financial resources are not optimally allocated to make the best possible impact to benefit the citizens of this country or the economy, at large.

At the moment, South Africa finds itself in a very tight financial space due to slow economic growth, worldwide, and other challenges.

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Serious interventions were necessary to stay within affordable targets announced in the 2018-19 Budget. The DA proposed a range of budget-neutral interventions that would have stimulated the economy and job creation, and raised taxable income.

Government's further response to this was to lower the expenditure ceilings and effect massive budget cuts. The cuts were, unfortunately, made in the service delivery areas that affected service delivery even more negatively. These areas affected the appointment of nurses, entry-level police officials, and teachers, etc. Government debt is still constantly on the rise, and the fear of reaching a fiscal cliff scenario becomes all the more frightening a reality. Debt-service costs are also therefore a fast expenditure line and cannot be allowed to keep on growing at the current rate until it eventually spins totally out of control. Rating agencies, like Standard and Poor's, are expecting that national debt, measured at net loan debt to remain above 50% of GDP.

President Cyril Ramaphosa ushered in his so-called New Dawn.

However, this positive mood was very short-lived and destroyed by his announcement of the ANC's decision regarding land expropriation without compensation. The outcome was expected and predicted by the DA. Investors don't invest their money in areas where their

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investments are not safe. Disinvestment and capital flight are synonymous with a disregard for property rights. The impact was immediately manifested in the contracting of the country's GDP.

South Africa is in trouble and partially in ICU, already. The appropriation of funds before us for consideration is not even attempting to move the ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Terblanche, your time has expired.

Mr O S TERBLANCHE: Is there enough time to say we don't support it, Chairperson? Thank you.

Mr D M MONAKEDI: Chairperson, we are considering this year's Appropriation Bill under difficult economic circumstances, characterised by the increase in the petrol price, disconcerting and persisting unemployment, and the challenging economic environment. We are also considering the Appropriation Bill when government is working tirelessly to ensure financial prudence and the responsible use of public funds. In this regard, we want to particularly welcome the various interventions that government has initiated to ensure that government departments, provinces and the municipalities

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exercise greater care and the utmost responsibility when using public resources.

The ANC welcomes this year's Appropriation Bill because it does not only appropriate national revenue, but also provides clarity and certainty on key policy areas aimed at unlocking growth in the economy. It also outlines concrete timelines for the finalisation of these policy processes by the various departments. This will result in the provision of the clarity sought by the markets and our people.

This year's appropriation demonstrates that, in the midst of a persistently challenging economic environment, government remains committed to containing the budget deficit and stabilising public debt, whilst maintaining spending on core social and economic programmes. We welcome government's to reduce the deficit, while also working tirelessly to expand the reach of government programmes to deliver quality services to our people.

In this regard, we particularly welcome the increase in social development spending to just over R3 billion, health to over R3,3 billion, and learning and culture, which includes the

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allocation of almost R60 billion for expanding access to basic and higher education to the poor.

The ANC welcomes this Appropriation Bill. Thank you. [Applause.]

Mr M KHAWULA: Hon Chairperson, South Africa is our precious baby that needs to be jealously guarded, and especially by all those who care the most about her, like the IFP.

In 1 Kings 3 of the Holy Bible, King Solomon is faced with making a difficult decision on who the real mother of a child is between two contesting women. It is the real mother who cares the most and who then decides to forsake parenthood to the fake mother, instead of having the child being cut into two halves. This is what the IFP would decide to do about South Africa, because we care.

Supporting the passing of the Budget for our country so that government can deliver services to our citizens is the right thing to do. The IFP believes that the interests of South African citizens are much more important than our individual party political ambitions. When we do good, we do not do so for personal enhancement, but for the sake of South Africa.

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In the words of the leader of the IFP, Prince Mangosuthu Buthelezi, I want to say we believe in doing what is right because it is the right thing to do. I wish the ANC caucus in the Nelson Mandela Bay Metropolitan Municipality would learn from this and begin to do the right thing. Doing what is the right thing to do should not only happen when the circumstances favour your situation. It should be in the consideration of doing what is right under whatever the circumstances.

Albert Einstein talked about people who keep on doing the same thing, over and over again, and expecting different results. This is what the government is doing with spending the country's taxes. Every year in the Budget, we talk about audit reports that point to increased irregular expenditure, increased wasteful expenditure, increased fruitless expenditure and increased corruption. However, with every other financial year that begins, our government falls into the very same traps, once more.

With every other audit report, the same unacceptable practices dominate the new audit report. For as long as it is this government under the leadership of this ANC organisation, our spending will always be like this, and the audit reports will always remain this bad.

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For the record, the IFP wishes to emphasise the obvious. Government must rein in corruption in government departments. The biggest threat to economic development and to clean governance in South Africa is the lack of consequence management of the culprits who rob the state of our meagre resources. The culture of political protectionism is deeply entrenched in our Public Service because of the lack of political will to take visible action against the transgressors.

In supporting this Budget, the IFP is reminding President Ramaphosa and his administration that, whilst campaigning for this position, he promised us action on all those who have been found to be corrupt. He promised that wherever they might be in the world, they would be returned to South Africa to account for their actions. He promised that all the money stolen from the coffers of the state would be returned. So far, none of this has happened.

Mr President, please deliver on your promises. I thank you, Chair.

Question put: That the Bill be agreed to.

Bill accordingly agreed to, in accordance with section 75 of the Constitution.

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The Council adjourned at 14:55.

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